August 7, 2026

To whom it may concern

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Notice Regarding Acquisition of Shares of European Automotive Coatings Business as Subsidiaries

Nippon Paint Holdings Co., Ltd. is announcing that the Board of Directors meeting approved today the acquisition of shares of the European automotive coatings business which was transferred to the Wuthelam Group* (the "Share Acquisition"[1]). We have entered into a Share Purchase Agreement (the "Share Transfer Agreement") involving the Acquisition today.

*1 Collectively refers to Nipsea International Limited, the Company's majority shareholder, Mr. Goh Hup Jin, entities effectively controlled by any of the foregoing, and their subsidiaries, excluding the Company and its subsidiaries.

1. Reasons for the acquisition of shares

The Company pursues Maximization of Shareholder Value (MSV) as its sole mission, and strives for sustainable growth through the Asset Assembler model to achieve this goal.

As stated in the August 10, 2021 announcement, the Company determined that fundamental restructuring of its strategically important businesses in India and Europe was essential for enhancing corporate value over the medium to long term. Accordingly, the Company transferred the shares of its India business and European automotive coatings business to the Wuthelam Group. This transaction enabled the Company to mitigate risks by having the Wuthelam Group bear additional investments and expenses required for the restructuring plan of these companies in the short term and the uncertainty of the restructuring plan. Following the share transfer, the Company continued to provide ongoing administrative and other management support services through the Nippon Paint Group (the "Group") without changing names of these companies. The Group seconded management teams to these companies and monitored business operations by keeping track of financial position and other operating status. In August 2023, the Company reached an agreement with the Wuthelam Group regarding the buyback of the India business, and the transaction was completed in November 2024.

The European automotive coatings business has also achieved a meaningful recovery in performance since the share transfer as a result of restructuring initiatives, including reorganization undertaken under the Wuthelam Group, and is now positioned for sustained profit growth. Furthermore, from the perspective of MSV, the Company has determined that repurchasing the business at this time is the optimal decision to accelerate the Group's global initiatives in the automotive coatings business.

To ensure fairness in determining the acquisition price of the target companies' shares, we engaged in independent third-party valuation firm, unaffiliated with the Company, the Wuthelam Group, or the target companies, to assess their equity value. The acquisition price was set based on the results of this valuation.

2. Acquisition price

The acquisition price is expected to be approximately 47 million euro (8.5 billion yen[*2]).

*2 Converted at EUR 1 = JPY 181.4.

3. Schedule

(1)	Date of resolution by the Board of Directors	August 7, 2026 (today)
(2)	Date of execution of the Share Transfer Agreement	August 7, 2026 (today)
(3)	Closing date of the share transfer	October 2026 (scheduled)

4. Outlook

The impact of the share acquisition on the Company's consolidated performance for the fiscal year ending December 31, 2026 is expected to be immaterial.

5. Matters concerning a transaction, etc., with a controlling shareholder

Because the Share Acquisition constitutes a transaction with the Wuthelam Group, it constitutes a transaction, etc., with a controlling shareholder.

(1) Whether the Share Acquisition is a transaction, etc., with a controlling shareholder, and status of compliance with the guidelines regarding the policy for protection of minority shareholders

In the Corporate Governance Report disclosed on April 9, 2026, the Company provides, as guidelines for measures to protect minority shareholders in conducting a transaction with the controlling shareholder, that in order to protect minority shareholders, when the company intends to conduct a transaction with its parent company, the Independent Directors appropriately conduct engagement and supervision, such as obtaining approval at the Board of Directors with the majority of the Independent Directors, etc.

As described in "(2) Matters concerning measures to ensure fairness and avoid conflicts of interest" below, because the Company established a special committee consisting of outside independent directors and obtained a report from the special committee, the Company believes the Share Acquisition complies with the above guidelines.

(2) Matters concerning measures to ensure fairness and avoid conflicts of interest

The Company has taken the following measures to ensure the fairness of the Share Acquisition and avoid conflicts of interest:

(i) Procurement by the Company of a valuation report from an independent third-party valuator

In making a decision to acquire the shares, the Company engaged Novances Corporate Finance ("NCF"), which is an independent corporate finance advisory firm unaffiliated with the Company, the Wuthelam Group, or the Target Company, to conduct a valuation of the Target Company's shares. NCF, a member of the Novances Group, which has provided accounting and tax consulting services in France for over 45 years, prepared a share valuation report for the Target Company, which the Company received on June 20, 2026.

(ii) Establishment by the Company of an independent special committee and receipt of the Committee Report

For the purpose of eliminating arbitrary decision-making and ensuring a fair, transparent, and objective decision-making process with respect to the Share Acquisition, the Company adopted a resolution to establish a special committee (the "Special Committee") consisting of Masataka Mitsuhashi, Hisashi Hara, and Masayoshi Nakamura, each of whom is an outside independent director of the Company, and to request that the Special Committee consider whether a decision of the board of directors of the Company to conduct the Share Acquisition (the "Transaction") would be disadvantageous to minority shareholders (the "Matters for Consideration"). In making that request, the board of directors of the Company has also resolved that it will respect the determination of the Special Committee to the maximum extent when conducting decision-making and will not decide to conduct the Transaction if the Special Committee determines that the Transaction is inappropriate.

The Special Committee conducted careful and comprehensive deliberations based on the materials and information provided to the Special Committee by the Company and its advisors, with a focus on the Matters for Consideration. Based on those deliberations, the Special Committee submitted a report to the board of directors of the Company on August 4, 2026 to the effect that the decision to conduct the Transaction would not be disadvantageous to minority shareholders based on grounds including those set out below (the "Report").

(a) The Special Committee has determined that the Transaction is reasonable from the standpoint of maximization of shareholder value based on the following grounds, among others: the background and the purpose of the Transaction are reasonable on the basis of the business environment surrounding the Target Company and its subsidiaries (the "Target Company Group"), as well as the earnings of the Target Company Group following the Share Transfer (2021) and future growth prospects of the Target Company; and the Transaction will allow NPHD to accelerate its global initiatives for the automotive coatings business through the buyback of the shares of the Target Company.

(b) The Special Committee has determined that the procedures for the Transaction are fair from the standpoint of protecting minority shareholders of the Company based on the following grounds, among others: the Company has obtained valuation reports from independent third-party valuator; the Company has established the Special Committee independent from the Company, the Wuthelam Group, and the Target Company; the Company has obtained legal advice from Mori Hamada & Matsumoto Foreign Law Joint enterprise, an independent legal advisor; the Company has not allowed Mr. Goh Hup Jin, who is a director of the Company and concurrently serves as the representative of the Wuthelam Group, to participate in any deliberations or resolutions with respect to the Transaction or to participate in any discussions or negotiations regarding the Transaction on behalf of the Company; the Special Committee has confirmed the negotiation policy in advance, thereby ensuring substantive involvement in the negotiation process; appropriate disclosure is planned; and there are no other circumstances that give rise to any question regarding the fairness of the Transaction.

(c) The Special Committee has determined that the appropriateness of transaction terms for the Transaction has been secured from the standpoint of protecting minority shareholders of the Company in light of the following points, among others: the consideration for the Share Acquisition has been determined to be appropriate in light of the calculation results of the valuation reports prepared by the independent third-party valuator NCF; and reasonable provisions are stipulated in the Share Transfer Agreement.

(iii) Procurement by the Company of advice from an independent law firm

In order to ensure the transparency and objectivity of the decision-making process of the board of directors with respect to the Share Acquisition, the Company appointed Mori Hamada & Matsumoto Foreign Law Joint Enterprise, a law firm independent of the Company, the Wuthelam Group, and the Target Company, as its legal advisor and received necessary legal advice from that firm concerning the method and process of decision-making with respect to the Share Acquisition and other matters to be noted.

(iv) Unanimous approval of all disinterested directors of the Company

Mr. Goh Hup Jin is a director of the Company and concurrently serves as the director of the counterparty in the Share Acquisition. From the standpoint of increasing the fairness and objectivity of decision-making by the Company's board of directors with respect to the Share Acquisition and avoiding any suspicion of a conflict of interest, Mr. Goh Hup Jin did not participate in any deliberations or resolutions with respect to the Share Acquisition, and did not participate in the negotiations with the Wuthelam Group on behalf of the Company. At the meeting of the Company's board of directors held on August 7, 2026, attended by all of the disinterested directors other than Mr. Goh Hup Jin, a resolution was adopted to enter into the Share Purchase Agreement with the unanimous approval of all directors in attendance.

(3) Summary of the opinion from a person who has no conflict of interest with the controlling shareholder stating that the transaction, etc. is not disadvantageous to the minority shareholders

The Company obtained a Report from the Special Committee stating that a decision to conduct the Transaction would not be disadvantageous to minority shareholders on August 4, 2026. For a summary of the Report, please refer to “(ii) Establishment by the Company of an independent special committee and receipt of the Committee Report” in “(2) Matters concerning measures to ensure fairness and avoid conflicts of interest” above.

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